

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 8118

BILL NUMBER: SB 469

DATE PREPARED: Jan 16, 2001

BILL AMENDED:

SUBJECT: Community and Home-Based Care.

FISCAL ANALYST: Kathy Norris

PHONE NUMBER: 234-1360

FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		90,610,645	118,905,946
Net Increase (Decrease)		(90,610,645)	(118,905,946)

Summary of Legislation: This bill appropriates \$74,500,000 beginning July 1, 2001, and ending June 30, 2002, and \$74,500,000 beginning July 1, 2002, and ending June 30, 2003, to the Division of Disability, Aging, and Rehabilitative Services from the State General Fund for funding of the Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) Program.

The bill appropriates \$11,000,000 beginning July 1, 2001, and ending June 30, 2002, and \$33,900,000 beginning July 1, 2002, and ending June 30, 2003, to the Office of Medicaid Policy and Planning for funding of the Medicaid Waiver for Assisted Living Program.

The bill also appropriates \$2,000,000 beginning July 1, 2001, and ending June 30, 2002, and \$5,150,000 beginning July 1, 2002, and ending June 30, 2003, to the Office of Medicaid Policy and Planning for funding of the Medicaid Waiver for the Adult Foster Care Program.

The bill further appropriates \$3,110,645 beginning July 1, 2001, and ending June 30, 2002, and \$5,355,946 beginning July 1, 2002, and ending June 30, 2003, to the Office of Medicaid Policy and Planning for funding of the Medicaid Waiver for the Enhanced Adult Day Care Program.

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill would annually appropriate \$74.5 M in additional State General Funds to the CHOICE Program. The resulting total state funding level is shown in the table below.

Appropriation	FY 2002	FY 2003
CHOICE - FY 2001 Level of Funding	\$ 42,623,785	\$ 42,623,785
CHOICE - This Bill	74,500,000	74,500,000
Total CHOICE funding with this Bill	\$117,123,785	\$117,123,785

The bill annually appropriates State General Funds to each program shown in the table below.

Appropriation	FY 2002	FY 2003
CHOICE	\$ 74,500,000	\$ 74,500,000
Medicaid Assisted Living Waiver	11,000,000	33,900,000
Medicaid Adult Foster Care Waiver	2,000,000	5,150,000
Medicaid Enhanced Adult Day Care Waiver	3,110,645	5,355,946
Total Appropriations - This Bill	90,610,645	118,905,946

The impact on Federal Medicaid reimbursement is shown in the following table. This calculation assumes a Medicaid Federal share of 61.86% for each year of the biennium.

Medicaid Federal Share	FY 2002	FY 2003
Medicaid Assisted Living Waiver	17,841,000	54,983,000
Medicaid Adult Foster Care Waiver	3,244,000	8,353,000
Medicaid Enhanced Adult Day Care Waiver	5,045,000	8,687,000
Total Additional Federal Share - This Bill	26,130,000	72,023,000

Explanation of State Revenues: See Explanation of State Expenditures, above, regarding federal financial participation in the Medicaid waiver program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration, Office of Medicaid Policy and Planning, and the Division of Disability, Aging, and Rehabilitative Services.

Local Agencies Affected:

Information Sources: